

Funds misappropriation case against Zambala Farmers Group's former employees in Nganglam Court

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A case of misappropriation of funds involving the Zambala Farmers Group, a Milk Processing Unit in Pema Gatshel is now in Nganglam Dungkhag court. The group's former employees are accused of misusing sale proceeds of nearly Nu 5 M. They had allegedly made unsubstantiated expenditures and provided a loan, which remained unpaid. The farmer group filed the case after the Royal Audit Authority reported the misuse.

The case involves two former chairpersons, two accountants and a secretary of the unit.

According to the Annual Audit Report, over Nu 4.7 M from the sales proceeds were deposited into personal bank accounts, not the designated account.

The report also showed that there is insufficient and improper documentation, suggesting misappropriation of public funds for personal gain.

Furthermore, a loan was approved to a proprietor of a private construction company which remains unpaid, with an outstanding balance of nearly Nu 240,000.

The report further showed that in 2022, over 1 M was spent on fuel and maintenance for two vehicles owned by the MPU. No records were maintained to justify the expenses.

After these findings, the RAA requested the District and Dungkhag Administrations to provide justification. The administration then asked the individuals to refund the misappropriated amount.

However, after they failed to do so, the farmer's group registered the case with the Dungkhag court in September this year.

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